

400 Texas Street, Suite 1400
Shreveport, LA 71101
Firm: 318.221.6858
Fax: 318.227.2967
Web: www.bwor.com

Mailing Address:
P.O. Drawer 1126
Shreveport, LA 71163-1126

October 6, 2006

WM. TIMOTHY ALLEN, III
Direct: 318.934.0217
Email: tallen@bwor.com

Honorable James H. Welsh
Commissioner of Conservation
State of Louisiana
Post Office Box 94275
Baton Rouge, Louisiana 70804-9275

RE: HEARING APPLICATION
Hosston Zone, Reservoir C
Cotton Valley Zone, Reservoir B
Hico-Knowles Field
Lincoln Parish, Louisiana
Our File No. 410688.00018

Dear Sir:

On behalf of STROUD PETROLEUM, INC., application is hereby made for a public hearing to receive evidence concerning the issuance of an order pertaining to the following matters relating to the Hosston Zone, Reservoir C, and Cotton Valley Zone, Reservoir B, in the Hico-Knowles Field, Lincoln Parish, Louisiana:

1. To create two (2) additional drilling and production units (to be designated as HOSS RC SUC and HOSS RC SUD) for the Hosston Zone, Reservoir C, in the Hico-Knowles Field, Lincoln Parish, Louisiana, as shown on the plat attached hereto.
2. To create two (2) additional drilling and production units (to be designated as CV RB SUC and CV RB SUD) for the Cotton Valley Zone, Reservoir B, in the Hico-Knowles Field, Lincoln Parish, Louisiana, as shown on the plat attached hereto.
3. To force pool and unitize all separately owned tracts, mineral leases, and other property interests within said units, with allocation of production from the unit well to the tracts within each such unit to be on the basis of surface acreage.
4. Except to the extent inconsistent herewith, to extend the provisions of Office of Conservation Order No. 137-BB-2, effective May 24, 2005, to the proposed HOSS RC SUC and HOSS RC SUD, and Office of Conservation Order No. 137-X-14, effective May 24, 2005, to the proposed CV RB SUC and CV RB SUD.
5. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The Hosston Zone, Reservoir C, in the Hico-Knowles Field, Lincoln Parish, Louisiana, is fully defined in Order No. 137-BB-2, effective May 24, 2005.

The Cotton Valley Zone, Reservoir, in the Hico-Knowles Field, Lincoln Parish, Louisiana, is fully defined in Order No. 137-X-14, effective May 24, 2005.

Pertinent data regarding this application will be available for inspection at the offices of Stroud Petroleum, Inc., 416 Travis Street, Suite 609, Shreveport, LA 71101. Any person wishing to inspect such data should call Mr. Ted Scurlock at (318) 425-0101, during normal business hours, or write Mr. Scurlock at the above address in order to arrange a time and date for such inspection. Copies of such pertinent data can be obtained at the expense of the requesting party.

A list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties (as defined in the Rules of Procedure) is attached hereto, and a copy of this notice, with the annexed plats, is being sent to each of such persons. A reasonable effort has been made to determine that the enclosed list includes all of the persons to whom this notice must be sent under the Rules of Procedure.

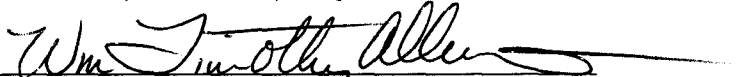
By Pre-Application Notice dated September 22, 2006, applicant advised the Commissioner of Conservation, the District Manager and all Interested Owners, Represented Parties and Interested Parties of applicant's intention to apply for the hearing which is the subject of this application. Applicant received no request for a conference, and accordingly, no conference will be held.

A check in the amount of \$2,265.00 made payable to the Commissioner of Conservation is enclosed herewith as the statutory fee for holding the requested hearing.

This application is being filed in duplicate, and a copy hereof is being sent to Mr. James C. Broussard, Shreveport District Manager of the Office of Conservation, to each Interested Owner, Represented Party and Interested Party whose name is shown on the attached list and to the Pre-Application Conference Attendees.

Very truly yours,

BLANCHARD, WALKER, O'QUIN & ROBERTS

By: 

Wm. Timothy Allen III

Attorneys for Stroud Petroleum, Inc.

WTAMIII:kml

Enclosures

cc: Mr. James C. Broussard
Office of Conservation, Shreveport District Manager, La. (w/enclosures)
cc: Interested Owners, Represented Parties
and Interested Parties (w/copy of plats)

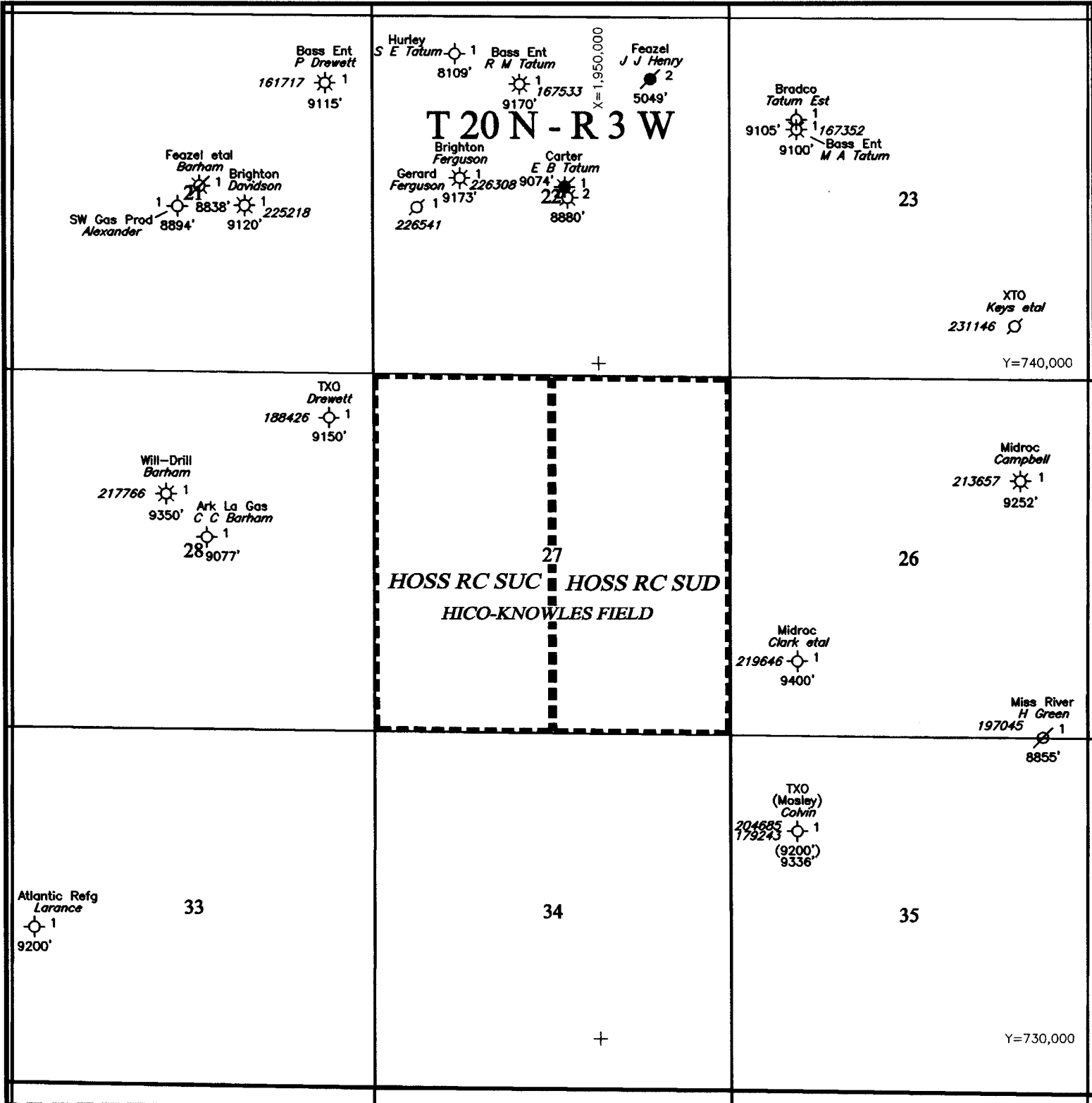


EXHIBIT No. 1

LEGEND



: PROPOSED HOSS RC
SAND UNITS C & D
HICO-KNOWLES FIELD

STROUD PETROLEUM, INC.
SHREVEPORT, LOUISIANA

HICO-KNOWLES FIELD
LINCOLN PARISH, LOUISIANA

**PROPOSED
HOSS RC SUC
AND
HOSS RC SUD**

ONLY WELLS > 5000' TD SHOWN



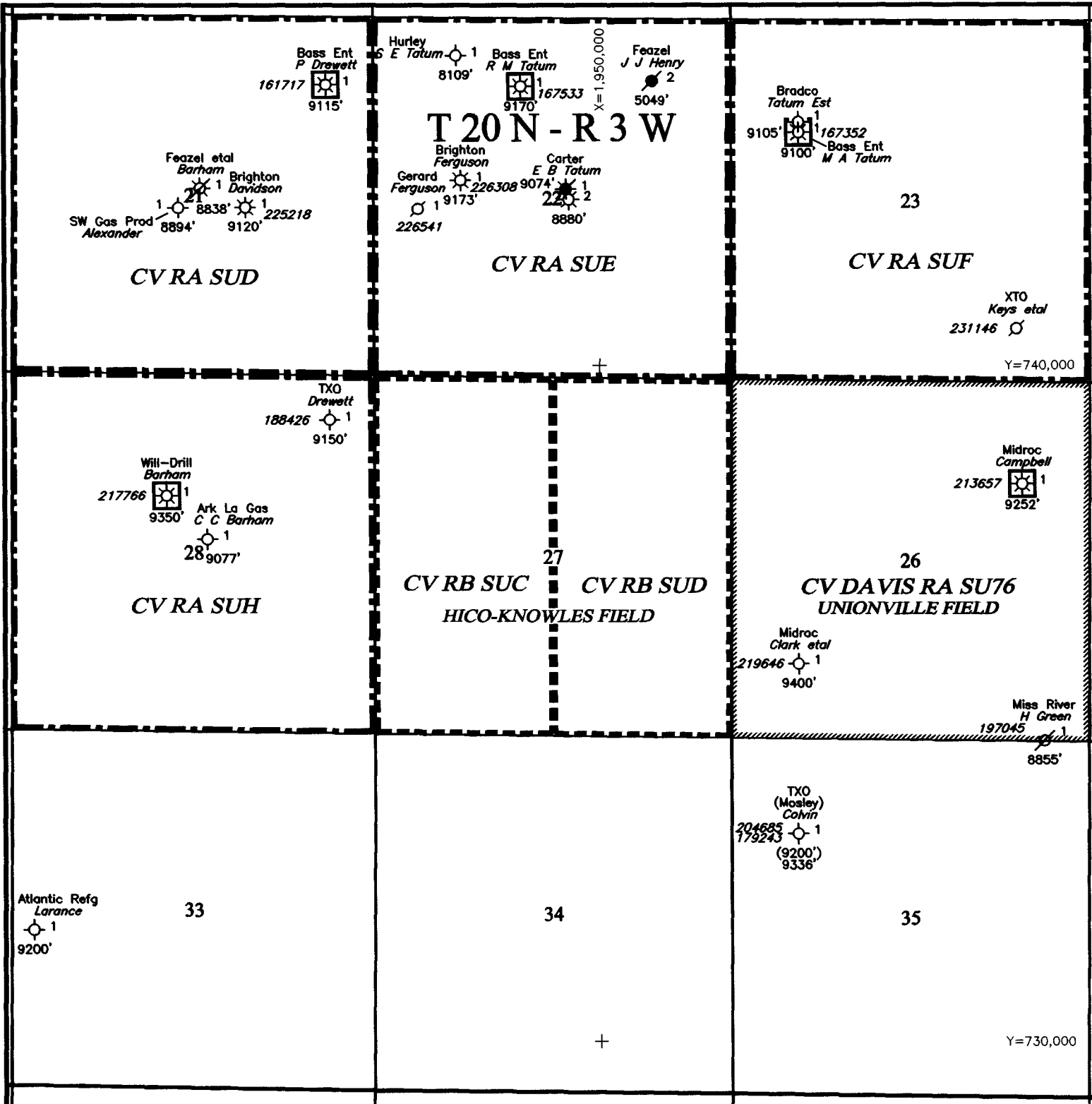


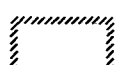



EXHIBIT No. 1

LEGEND

-  : PROPOSED CV RB SAND UNITS C & D
HICO-KNOWLES FIELD
-  : EXISTING CV RA SAND UNITS
HICO-KNOWLES FIELD
-  : EXISTING CV DAVIS RA SAND UNIT
UNIONVILLE FIELD
-  : EXISTING UNIT WELLS

STROUD PETROLEUM, INC.
SHREVEPORT, LOUISIANA

HICO-KNOWLES FIELD
LINCOLN PARISH, LOUISIANA

**PROPOSED
CV RB SUC
AND
CV RB SUD**

ONLY WELLS > 5000' TD SHOWN

